

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 852 - SB 1233**

March 16, 2013

**SUMMARY OF BILL:** Authorizes any county, upon adoption of a resolution by two-thirds majority by the county legislative body, to allow property tax exemptions for land and buildings owned and maintained by a 501(c)(3) not-for-profit corporation formed by a religious institution, provided the land and building meet certain requirements.

**ESTIMATED FISCAL IMPACT:**

**Decrease Local Revenue – Exceeds \$500,000/Permissive**

Assumptions:

- This bill will not impact state revenue or expenditures.
- According to the Comptroller of the Treasury, and based on data from 2012 of Davidson County property taxes due, there was approximately \$580,000 in property tax revenue collected by Davidson County that would not have been collected under the provisions of this bill.
- The fiscal impact of this bill to local government revenue is dependent upon several unknown factors such as the number of counties that will elect to exempt property, the number of properties that will receive exemptions, the assessed values for such properties under current law, and the extent of property tax collections for such property under current law. Given the extent of unknown factors, determining a precise decrease for local government revenue is difficult. However, the permissive decrease in local government revenue is reasonably estimated to exceed \$500,000 per year.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jrh